

**\*OGC Has Reviewed\***

Approved For Release 2001/08/23 : CIA-RDP57-00384R000400050049-2

**Office Memorandum • UNITED STATES GOVERNMENT**

25X1A

TO : [REDACTED]

FROM : General Counsel

SUBJECT:

DATE: 1 October 1951

*Please do a short memo on this for Comptroller. Refer to his telephone inquiry.*

You will note in the Career Program prepared by the Director of Training a proposal to retain certain university officials to assist in recruiting and choosing trainees with payments to be made at certain times of the year. The Comptroller has asked our opinion on the best way in setting this up -- whether as straight consultant arrangement or some special fee basis. Also should vouchered or unvouchered funds be used.

25X1A

LAWRENCE R. HOUSTON

TO: General Counsel

FROM: [REDACTED]

4 October 1951

I believe the comments appearing below are an accurate summary of the principles discussed in connection with relationship between CIA and specified universities in the recruitment, selection and certification of trainees:

1. Since most progressive universities maintain a placement bureau for their graduates and superior type students, it is believed the proposal under discussion can be effectuated by mere contacts and arrangements without the necessity for entering into compensation agreements.
2. In such instances where universities do not have placement bureaus or will not accept such arrangements without compensation, then it is apparent that a contract based on the retainer fee principle would be more appropriate than a consultant type arrangement. This undoubtedly would be for a stipulated period, terminable at the election of the Government upon due notice.
3. Charging vouchered or unvouchered funds would appear to hinge upon the nature and circumstances of the recruitment and "end-use" contemplated.